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OPINION

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Budget Shortfalls Require Sacrifice

By Sen. Preston Smith (R-Rome)



In the last few months, Georgia has seen a significant decline in revenue collections that fund all of the state's activities from education and healthcare to public safety and transportation. The state constitution wisely requires legislators to pass a balanced budget in which planned expenditures do not exceed anticipated revenue collections. Unlike the federal government, the state does not run an annual deficit and we do not print our own money. At the end of the day, lawmakers must balance the taxpayers' checkbook.

Like any family or business, when the income decreases, the expenditures also must be adjusted, and this process does require sacrifice. The amount of sacrifice depends upon the degree to which all legislators pull together to rein in budgetary spending.

It is like the sacrifice needed to prepare a country breakfast with eggs and ham. The chicken makes a contribution, but it's the pig who really makes a commitment!

Georgia is not alone as many states are facing serious budgetary crises. During the last few years Georgia legislators partnered with the Governor to build up a rainy day reserve fund that was depleted in 2003 to over a billion and a half dollars in 2008. Almost 40 percent of that fund is now gone, having been used to balance the shortfall the state experienced in fiscal year 2008 that ended on June 30.

It was only a year ago when some legislative leaders were arguing that this reserve fund had grown too large and there was no need for the state to save this much. Undoubtedly, they are now grateful for the pad we have to help cushion against the current economic downturn.

My work on the Senate Appropriations Committee has given me a bird's eye view of the serious nature of the revenue shortfall. Trying to reduce the size of the budget by \$2 billion or more during the middle of the fiscal year is going to be extremely painful. The budget discussion has already turned to talk of lay-offs and furloughs of state employees, which will have a real impact on families who are already facing difficult inflationary pressures and rising gas prices.

My father tells me that during World War II, families across the nation pulled together to get through the difficult time by asking themselves, "Is this trip necessary?" While times certainly are not that tough right now, that spirit embodies how we should work together to meet this current challenge.

Part of the frustration (and the resulting low approval rating) with Washington politicians from both parties is their seeming inability to restrain themselves from out-of-control spending, even in the face of war and other fiscal challenges. They continue to load pork projects into the budget which are popular with certain constituencies but in the aggregate, only add to the bloated federal bureaucracy.

As legislators, we must evaluate the core function of government and work together to adequately fund essential government services, while eliminating or deferring spending on others. So, I made a difficult decision to withdraw my request for local assistance grants in the Fiscal Year 2009 budget. While they were meritorious projects, they did not rise to the level of essential governmental service for which the state should be responsible during a revenue shortfall.

While this action, by itself, makes a minimal impact on the overall state budget, it does approximate the amount of money needed to fund the jobs for two state employees this year. Some lawmakers hold the belief that we should "bring home" local projects to the community, but that is a difficult argument to make when declining revenues are resulting in lay-offs, furloughs and cuts to education, healthcare and public safety.

It is my hope that if we all work together to limit the current budgetary spending we can weather this financial storm with the least impact on the Georgia families that depend on the state to continue providing its essential services.

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Chairman, Senate Judiciary Committee

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